

Guidelines for Aircraft Registration in Arizona

Introduction

The following information provides a summary of the laws, rules and procedures for aircraft registration with the Aeronautics Division, Arizona Department of Transportation, as required by law. Its purpose is to increase the general understanding of aircraft registration requirements in Arizona and to facilitate the registration process for individual owners.

In addition to the State aircraft registration requirements, the federal government administers a national aircraft registry program through the Federal Aviation Administration. A brief description of the federal program is also included.

Registration Requirements

All aircraft based in Arizona are required to be registered with Aeronautics Division. Registration must be accomplished within sixty days after an aircraft is brought into the state and must be renewed annually by the last day of February.

New Aircraft Entrants into Arizona

Initial registration must be accomplished within sixty days of purchase or lease of an aircraft or within sixty days after the aircraft is brought into the state. If the aircraft is purchased from a dealer in Arizona the dealer is required to the buyer fill out application for registration. The dealer is required to forward the application to the Aeronautics Division within twenty days of sale. An owner bringing in an aircraft from out of state must submit an application for registration. Applications may be obtained from the registration section of the Aeronautics Division. Registration must be completed within sixty days of entry into Arizona to avoid payment of penalty.

Transfer or ownership

When an aircraft currently registered in Arizona is transferred or sold in the state the registration expires. The seller must assign the registration certificate to the buyer by filling out the back of the certificate. The signed certificate is sent to the Aeronautics Division. The buyer must register the aircraft in his name within sixty days and pay the registration fee of five dollars.

Annual Renewal

Owners of currently registered aircraft will receive a renewal billing in late December. This allows those owners who wish to pay before the end of the calendar year to do so. It is important to notify the Aeronautics Division of address changes in writing so your renewal registration certificate will be correctly addressed. Payment by check or money order of the tax and registration fee must be received or postmarked by the last day of

February. On or after March 1, a \$25 penalty fee will be added with an additional \$5 penalty for each subsequent month of delinquency.

Nonresident Registration

Determining Residency Status

You are considered a resident of Arizona and must register your aircraft as a resident if you;

1. Are in this state more than six months during the calendar year;
2. Engage in trade, profession or occupation in this state;
3. Have child in school without paying non-resident tuition;
4. Declare yourself a resident for the purpose of obtaining a state license or tuition fees at resident rates;
5. Maintain a company office and base and operate motor vehicles in this state;
6. Operate motor vehicles in intrastate transportation.

Registration for Nonresidents

Nonresident owners whose aircraft are based in the state for more than ninety days in the Calendar year must register the aircraft with the Aeronautics Division. The ninety days is total time in the state and need not be consecutive days. Nonresident aircraft based in the state for more than ninety days, but less than 210 days are taxed at a reduced rate (See Aircraft Value and Tax Determination). Aircraft engaging in commercial activity in the state, regardless of owner residency, must be registered prior to such operations.

Aircraft in Storage or Being Repaired

Arizona Senate Bill 1178, passed by the 39th legislature in May 1990, eliminates for aircraft in storage or being repaired the exemption from the license tax and registration fee and prescribes a license tax rate for such aircraft.

Aircraft in storage or under repaired must be registered with the Aeronautics Division and the registration fee paid. The tax on a stored aircraft is \$20 plus a \$5.00 registration fee.

To qualify for the stored aircraft tax, the owner must file a sworn affidavit with the Aeronautics Division no later than the last day of February or within sixty days after the aircraft is placed in storage or under repair on entry into the state. Forms for the required affidavit are available from the Aeronautics Division.

The owner of an aircraft registered and taxed based on storage or under repair status will immediately notify the Aeronautics Division when the aircraft is returned to use. On

return to use the owner shall pay the appropriate license tax for active aircraft, which will be prorated, based on the number of months remaining in the year.

Registration Certificate and Decal

Certificate

A registration certificate and license decal will be issued upon full payment of the initial registration fee, appropriate license tax and any penalty due. A renewal registration certificate billing is sent to each owner in December. The owner signs and returns all copies of the certificate, with address change if necessary. Upon receipt of the certificate with payment of registration fee and tax, the Aeronautics Division will validate the certificate and return it to the owner. The validated certificate is to be kept in the aircraft at all times. If the certificate is lost, a duplicate may be obtained at the minimal fee by writing the Aeronautics Division.

Decal

A license decal valid for the calendar year is issued with registration certificate. A duplicate decal may be issued to the owner upon payment of a four-dollar fee and satisfactory proof of the loss destruction of original decal.

The decal is required to be displayed on the aircrafts at all times. The location of the decal depends on the type of aircraft. For conventional fixed wing aircraft with a single vertical stabilizer and low horizontal stabilizer, the decal is displayed on the right side of the vertical stabilizer just above the horizontal stabilizer. For aircraft without a vertical stabilizer, such a V-tail Bonanza, the decal is displayed on the right side of the fuselage immediately forward of the empennage. Aircraft with a high vertical stabilizer (T-tail) display the decal on the lower half of the right side of the vertical stabilizer. Aircraft with two or more vertical stabilizers display the decal on the right vertical stabilizer. Rotorcraft display the decal on the lower half of the right side of the vertical stabilizer. Balloons display the decal on a plaque affixed to the basket assembly.

Aircraft Valuation and Tax Determination

Valuation

The Aeronautics Division annually determines the value of aircraft for tax purposes using industry sources and guides. The value assessed is based on the average low wholesale bluebook value for the make, model and year of the aircraft. No consideration is given to condition, equipment or purchase price.

Tax calculation

The tax rate is one-half of one per cent (.005) of the assessed value of the aircraft, but not less than twenty dollars. For aircraft entering the state, purchased from a dealer or returned to service from storage or repair status, the tax is pro-rated based on the number of months the aircraft is in service in Arizona, including the month during which the aircraft is placed in service. There is no provision for refund of tax if the aircraft leaves the state or is placed in storage during the year. Aircraft in storage during the entire year are subject to a flat tax of \$20. Upon receipt of the registration application, the Aeronautics Division will assess the value of the aircraft, calculate the taxes due and mail an aircraft registration billing to the owner.

Sample Calculation

Low Wholesale Bluebook	\$19,200.00
Tax Rate (one-Half per cent)	0.005
Annual License Tax	\$96.00
Per Month pro Rate (1/12)	\$8.00
Aircraft entered in April	X9
License Tax Payable	\$77.00
Registration Fee	\$5.00
Amount Due	\$77.00

Nonresident Tax

Aircraft license tax for nonresidents is based on the total number of days the aircraft is in the state during the calendar year

Days in State	Tax Rate
1-90	No Charge
91-209	.1% (.001) of aircraft value
210-365	.5% (.005) of aircraft value

Exemptions

An aircraft may qualify for exemption from registration and/or tax with the Aeronautics Division if one of the following conditions exists:

1. Aircraft is operated by regular scheduled airline.
2. Aircraft is owned by Government.

3. Aircraft is owned and held by Arizona license aircraft dealer for resale and is operated only for demonstration purposes.
4. Aircraft is owned by a person on active military duty, with a home of record other than Arizona (requires a copy of active duty assignment papers).
5. Aircraft is owned by a Native American, is based on an Indian reservation and stays within the reservation boundaries.

Aircraft Exemption Affidavit

To claim exempt, nonresident or stored aircraft tax status, an owner must complete an Aircraft Exemption Affidavit and file it with the Aeronautics Division on or before the last day of February, or if it is new registration in the state, within sixty days of purchase or entry into Arizona. Failure to file by the deadline requires payment of the registration fee and license tax plus a \$25 penalty fee will be added with an additional \$5 penalty for each subsequent month of delinquency.

Verifying Exempt Status

Upon request by the Aeronautics Division, an owner claiming an exemption shall make available the aircraft log book for inspection and the names of any pilot who has flown the aircraft during the period for which the exemption is claimed.

Destroyed Aircraft

If an aircraft registered in Arizona is lost or destroyed the owner of aircraft, or in the event of his death his legal representative, will inform the divisions in writing within thirty days.

If the company with which an aircraft is insured, the person business or organization and is not insured, the person, business or organization shall provide an affidavit stating the aircraft to be a total loss.

Upon receipt of the affidavit, the Aeronautics Division will determine the amount of registration fee and lieu tax and reduce the amount due by one-twelfth for each full month of the registration period remaining. Upon written application period application by owner requesting the tax credit to the owner for the appropriate amount to be used on the next or several succeeding aircraft registrations.

Hearing and Appeal; Procedure

Any aircraft owner who does not agree with a decision made by the Aeronautics Division may request a hearing before the Director of the Department of Transportation. The owner must request such a hearing in writing to the Department within thirty days of the

decision of the Aeronautics Division. Any party to the hearing before the director may request a hearing before the Director of the Department of Transportation. The owner must request such a hearing in writing to the Department within thirty days of the decision of the Aeronautics Division. Any party to the hearing before the director may appeal under ARS Title 12, Chapter 7, Article 6, Judicial Review of Administrative Decisions.

Penalties

Late Registration; Late Exemption Claim

An owner who fails to register an aircraft by the time limit specified, is subject to a penalty of \$25 with an additional \$5 penalty for each subsequent month of delinquency. An aircraft owner who fails to claim the appropriate exemption by the time limit specified shall pay the assessed license tax, plus a penalty of \$25 with an additional \$5 penalty for each subsequent month of delinquency.

Liens

Unpaid registration fees, taxes, interest and penalties constitute a lien on the aircraft. The Aeronautics Division may request collection by seizure and sale of the aircraft.

Civil Penalties

The Director of Aeronautics Division may impose civil penalties up to five hundred dollars against any person who willfully provides false information relating to aircraft registration.

Key Points

It is the responsibility of aircraft owner to request an Application for Aircraft Registration and to register the aircraft with the Aeronautics Division.

1. All general aviation aircraft based in the state are required be registered with the Aeronautics Division within sixty days after bringing an aircraft into the state or after the transfer of ownership of an aircraft that has been registered in Arizona.

2. All aircraft registrations must be renewed annually for the calendar year before the last day of February.
3. An exemption Affidavit must be completed by the aircraft owner to exempt an aircraft from the license tax and /or registration fee or to make a stored aircraft eligible for the stored aircraft tax fee.
4. License tax for an aircraft in storage is \$20.00 plus a \$5 registration fee.
5. Owners of aircraft which are not properly registered or exempted within the established time limits will be liable for the full registration fee, license tax and a \$5 penalty for each subsequent month of delinquency.
6. For initial registration, the license tax is prorated based on the date of entry into the state or the date of purchase.
7. The license tax is based on the average low wholesale market value for the make, model and year of aircraft. Actual purchase price, condition and equipment are not considered in making the valuation.
8. There are no tax refunds. If an aircraft is sold, transferred to another owner or leaves the state during a year for which the tax has been paid, the prepaid tax "goes the" the aircraft and the new registration fee. If an aircraft is lost or destroyed the tax is not refunded, however, the owner may receive a tax credit upon written request which can be applied to succeeding aircraft registration fees and license taxes.
9. The Aeronautics Division of the Arizona Department of Transportation is a separate entity from the FAA. We do not notify each other of new aircraft in the state.
10. It is the responsibility of the owner to notify the Aeronautics Division in writing:
 - A. Within ten (10) days of an address change.
 - B. Within sixty (60) days of when an aircraft is transferred or sold by filling out the back of aircraft registration certificate and returning it.
 - C. Within sixty (60) days of when an aircraft is placed in storage in order to claim eligibility for the \$20 stored aircraft tax. (Sworn affidavit required)
 - D. Immediately when a stored aircraft is returned to use.
 - E. Within thirty (30) days of when an aircraft is lost or destroyed.

11. For additional information concerning your specific aircraft registration, call the Aeronautics Division Registration Section.

Federal Registration

The Federal Aviation Act of 1958 requires registration of all civil aircraft with the FAA. Registration is covered by part 47 of the Federal Aviation Regulations.

The applicant for federal registration must submit the following to the FAA aircraft Registry:

1. Aircraft Registration Application, AC Form 8050-1
2. Proof of ownership such as AC Form 8050-2, Aircraft Bill of Sale or other evidence of ownership authorized by Part 47
3. The required registration fee.

The required forms are available from the flight standards district office or the FAA aircraft registry in Oklahoma City. Addresses and phone numbers are listed below.

FAA Aircraft Registry- Registration of aircraft with the FAA.
Mike Moroney Aeronautical Center
6500 S. MacArthur Blvd.
Oklahoma City, OK 73125
(405) 954-3116

Flight Standards District Office (FSDO)- Regulation, procedures, pilot licenses, written test information, list of medical examiners.
17777 N. Perimeter Drive, Suite 101
Scottsdale, Az 85255
(480) 419-0600